



# Conflicts of Interest Policy

<b>Title:</b>	Conflicts of Interest Policy
<b>Approved by:</b>	QCN Fibre Board
<b>Responsible lead:</b>	Chief Executive
<b>Audience:</b>	All QCN Fibre
<b>Brief description:</b>	Sets out how QCN Fibre addresses actual, perceived or potential conflicts of interest
<b>Periodicity of review:</b>	Every two years
<b>Approved:</b>	July 2019

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# 1 Introduction

Queensland Capacity Network Pty Ltd (ACN 633 081 517) (**QCN Fibre**) and QCN Fibre Staff may, from time to time, have interests which conflict (or are perceived to conflict) with the interests of customers, vendors and third party representatives and other stakeholders.

In accordance with QCN Fibre's Code of Conduct it is essential that QCN Fibre Staff are able to identify actual, potential or perceived conflicts of interest and manage them appropriately and fairly, including preventing a conflict of interest from adversely affecting QCN Fibre and/or customers. The failure to identify, escalate and appropriately manage conflicts of interest may expose QCN Fibre and/or QCN Fibre Staff to legal action and may result in damage to QCN Fibre's reputation and a general loss of trust in QCN Fibre.

This policy applies to all QCN Fibre Staff. QCN Fibre Staff are expected to act in accordance with values (as articulated from time to time), the Code of Conduct, and with due care, diligence and skill.

# 2 Background

There are many types of conflicts of interest that may apply in the context of QCN Fibre's business. For example, instances where people in personal relationships (eg, familial or domestic) or financial relationships (eg, through personal business, investment and other activities) may work at or with QCN Fibre (eg, as a customer or stakeholder). In all instances, QCN Fibre strives to manage such conflicts in a manner consistent with the highest standards of integrity and fair dealing.

## 2.1 What are Conflicts of Interest?

A conflict of interest occurs when a person's personal interests conflict with their responsibility to act in the best interests of QCN Fibre. Personal interests include direct interest as well as those of family, friends, or other organisations that a person may be involved with or have an interest in (for example, as a shareholder).

A conflict of interest could compromise a person's independence or professional judgement or may otherwise hinder the proper discharge of their duties. Apparent, perceived or potential conflicts of interest are as important as actual conflicts.

QCN Fibre Staff should always consider whether there is anything that, as part of their role, could either raise, or raise the appearance of, a conflict of interest.

Use the 'front page' test — how would this issue look when splashed across the front page of a newspaper?

Conflicts of interest, actual, potential or perceived, may arise between:

- A QCN Fibre Staff member and a customer or QCN Fibre
- QCN Fibre Staff and its vendors.

# 3 QCN Fibre's Approach to Managing Conflicts of Interest

Conflicts of interest in a business setting are common and should not present an issue if they are identified and effectively managed. It is QCN Fibre's policy that ethical, legal, financial and other conflicts of interest are to be avoided and that, where such conflicts may arise, they are managed to ensure they do not conflict with QCN Fibre's obligations.

QCN Fibre manages conflicts of interest by requiring QCN Fibre Staff to:

- Avoid actual, potential and perceived conflicts of interest wherever possible
- Identify and disclose any conflicts of interest, and
- Carefully manage any conflicts of interest.

This policy is integral to QCN Fibre's ongoing commitment to adhere to the highest standards of ethical conduct in relation to the management of conflicts of interest. QCN Fibre employs a number of strategies to manage and mitigate conflicts of interest including ensuring that:

- Policy documents are in place and are designed to prevent conflicts of interest arising and to mitigate the associated risk of a conflict. Policy documents include:
  - Code of Conduct
  - Entertainment and Gifts Policy
  - Procurement Policy.
- The Board Charter requires board members to consider conflicts of interest
- There is segregation of functions and duties in place, where applicable
- Standard terms of engagement with customers, vendors and third party representatives require conflicts of interest to be declared actual, perceived or potential conflicts of interest are disclosed to an affected party including its likely impact on them, and QCN Fibre refrains from taking an action or engaging in activities/projects where a conflict of interest cannot be prevented or managed effectively.

### 3.1 Outside Business Interest

An actual, perceived or potential conflict of interest may arise from a QCN Fibre Staff member's outside (ie, non-QCN Fibre) work or business, such as directorships or other employment.

As detailed in QCN Fibre's Employment Handbook, QCN Fibre Staff must:

- Provide full disclosure of the nature and extent of that proposed work, and
- Receive pre-approval to undertake that paid work or business in an employee capacity outside QCN Fibre, whether during standard working hours or not.

### 3.2 Personal Investment Activities

A conflict of interest may arise by virtue of the personal investment activities of a QCN Fibre Staff member. QCN Fibre Staff must pursue the best interests of QCN Fibre and its customers, and must not put their own investment interests ahead of these interests. As such, QCN Fibre Staff are required to adhere to the following principles:

- QCN Fibre Staff must not, without prior approval from the Chief Executive, undertake any personal investment activities that may result in an actual or perceived conflict of interest between a QCN Fibre Staff member and QCN Fibre or its customers
- QCN Fibre Staff must notify the Chief Executive as soon as they become aware of an actual or perceived conflict of interest arising as a result of any personal investment activities, and
- QCN Fibre Staff must not use their access to QCN Fibre confidential, proprietary or client information in any way to advantage their personal investment activities or to obtain financial benefit.

#### 3.2.1 Inside Information

In their roles, QCN Fibre Staff may have access to market-sensitive or 'inside' information and, at all times, are required to preserve the confidentiality of that information. As such, QCN Fibre Staff are required to adhere to the following principles:

- QCN Fibre Staff must not trade any securities or other financial products on the basis of any inside information obtained in their role, and
- QCN Fibre Staff must not advise or procure others to trade in any securities or pass-on inside information to any person that may use that information to trade, or procure someone else to trade, in any securities.

Note that under the Corporations Act 2001, insider trading may result in criminal sanctions for individuals.

### 3.3 Gifts and Entertainment

A conflict of interest may arise where a gift or entertainment could appear to provide an inappropriate incentive for QCN Fibre Staff, a customer or vendor to act in a certain way. QCN Fibre does not permit the offering or acceptance of gifts or entertainment unless it is reasonable, as defined under Gifts and Entertainment in the Code of Conduct, and there is an identifiable commercial benefit to QCN Fibre.

Where applicable, QCN Fibre Staff must obtain pre-approval for gifts and entertainment and approval will not be granted where it is seen to give rise to an actual or potential conflict of interest in accordance with the Gifts and Entertainment guidelines in the Code of Conduct.

### 3.4 Vendors and Third Party Representatives

Conflicts of interest may arise with regards to vendors and third party representatives where, for example, QCN Fibre Staff who are involved in the procurement or hiring process have a financial interest in a vendor that may be positively or negatively affected by the results of a procurement process.

QCN Fibre Staff are required to ensure that their decisions are unaffected by considerations of private advantage. QCN Fibre Staff members must escalate all matters that might reasonably be expected to:

- Impact their independence and objectivity
- Otherwise interfere with their respective duties to QCN Fibre or its customers, or
- Give rise to a perception of a conflict of interest.

QCN Fibre also has a number of contractual measures designed to manage actual, perceived or potential conflicts of interest with vendors and third parties. Vendors and third parties are required to disclose any actual, perceived or potential conflicts of interest to QCN Fibre. In such an event, QCN Fibre may, at its discretion, either terminate the agreement or give the vendor/third party the opportunity to manage the conflict of interest, in consultation with QCN Fibre, in a way that does not adversely affect the provision of services.

## 4 Responsibilities

### 4.1 Role of QCN Fibre Staff

QCN Fibre Staff are expected to identify actual, potential or perceived conflicts of interest and escalate them in a manner that is consistent with QCN Fibre's Code of Conduct and that safeguards QCN Fibre's reputation.

QCN Fibre Staff should be conservative in determining which action or project may present an actual, perceived or potential conflict of interest and should consult the Chief Executive.

This is an important protection, both for the reputation of QCN Fibre and QCN Fibre Staff, and would help to provide a response to any subsequent allegations of misconduct.

### 4.2 Role of Leaders

The Chief Executive is responsible for overseeing the identification, documentation, escalation and management of all conflicts of interest as they arise within their area of responsibility.

The Chief Executive is to facilitate and promote the fair-handling of actual, perceived or potential conflicts of interest.

## 5 Declaration of a Conflict of Interest

After discussions with the relevant manager, actual, perceived or potential conflicts of interest must be declared in writing to the Chief Executive.

QCN Fibre maintains a confidential register of conflicts of interest. The information contained within the register facilitates the effective identification, escalation and management of potential conflicts of interest and is an input for the development of appropriate training of QCN Fibre Staff.

## 6 Reporting Obligations

All QCN Fibre Staff must ensure that incidents of non-compliance relating to this policy are:

- notified to the Chief Executive, and
- promptly resolved to minimise financial loss and protect QCN Fibre’s reputation.

QCN Fibre Staff can liaise with Chief Executive concerning questions or clarifications in regard to conflict related issues.

Any allegations regarding fraud or corruption related conduct must be reported to the Chief Executive.

## 7 Breaches and Disciplinary Action

QCN Fibre Staff found to be in breach of this policy or their Employment Agreement, may be subject to disciplinary action up to and including termination of employment.

## 8 Definitions

The following definitions apply to this policy and any related policy documents.

Term	Definition
<b>Financial Product</b>	Includes securities (all forms of shares), derivatives, debentures, stocks or bonds
<b>Inside Information</b>	Includes information that: <ul style="list-style-type: none"> <li>▪ Is not generally available, and</li> <li>▪ If it were generally available, a reasonable person would expect it to have a ‘material effect’ on the price or value of a relevant financial product.</li> </ul> <p>It is information that has been provided to QCN Fibre by a customer or third party with an expectation that the information will be kept confidential and used solely for the business purposes of the client or third party</p>
<b>QCN Fibre Staff</b>	The Directors of QCN Fibre and any QCN Fibre employee whether permanent, temporary, full-time, part-time or casual, or any volunteer, student, contractor, consultant, labour hire worker, or anyone who works in any other capacity for QCN Fibre.